CONGRESSMAN SHERWOOD BOEHLERT (R-NY)
MARK-UP STATEMENT AGAINST GORDON ARPA-E AMENDMENT
June 27, 2006

I appreciate what the gentleman is trying to do with this amendment, but I just am not prepared to support the creation of an ARPA-E at this point. I think that before we create a new government agency and allocate several billion dollars to it, we need to be more sure that the agency is necessary and set up in the right way to accomplish its goals.

With you, I requested the Academy write the *Gathering Storm* report, and like you, I am generally a big fan of its conclusions. In fact, my colleagues are sick of hearing me talk about the American Competitiveness Initiative, which stems, in part, from the report. But the report was written on paper, not chiseled on stone tablets, and its proposals are rightly labeled "recommendations" not "commandments."

We asked that the report be done quickly, and it was, and the panel did not have as much experience or expertise, or as many studies to draw on, in the energy area as it did in some other realms. The ARPA-E recommendation was the most controversial one among the panelists themselves, I would add.

And so, as I pointed out at our hearing in March, there are a lot of unanswered questions about ARPA-E. Is a lack of fundamental research our primary energy problem? If so, why couldn't it being handled by current Department of Energy (DOE) programs? And if those programs are off-track, how can we make sure that this program works differently? What should the relative priority for ARPA-E be, compared to other DOE programs, in allocating funding? Is DARPA a good analogue for the energy area, where the government is not a primary customer and price matters?

What role should industry play in ARPA-E programs? What role should the National Labs play? To what extent will participation by industry or the Labs enable the program to be both pathbreaking and market-oriented? Should we be focusing more instead on applied research or tech transfer or providing more capital for commercialization? What good will any additional research program do if we don't take the policy steps we need to to create a market for new technologies?

These are pretty fundamental questions, and we need more analysis to have trustworthy answers to them.

So the bill language says, "Let's go back to the source." Let's have the Academy pull together a panel with the right expertise to sort through these questions, and then let's see where we end up. As I said in my opening statement, we'll still be funding plenty of research in the meantime.

I urge the defeat of this amendment.